

# Alabama Department of Revenue

Information Release

Aug. 8, 2012

## Reminder: Items Used for Diabetes Treatment Exempt from Sales and Use Tax

*Montgomery*—The Alabama Department of Revenue (ADOR) recently notified business taxpayers who sell prescribed diabetic supplies that effective Aug. 1, 2012, these products and supplies are exempt from state and local sales and use tax taxes.

Act 2012-309, passed by the Alabama Legislature, specifically exempts the following from state and local sales and use taxes when sold pursuant to a valid prescription: insulin and insulin syringes, any equipment, supplies, devices, chemical reagents, and any related items that may be used by a diabetic to treat diabetes or to test or monitor blood or urine.

The ADOR also reminded sellers of such products and supplies that Act 2012-309 applies retroactively to all open tax periods and to all periods to which a tax assessment could be entered. The department advised, however, that according to Act 2012-309, the retroactive provision does not extend to refunds.

In its notice to taxpayers, the ADOR also noted that insulin was already exempt from state and local sales and use taxes under a separate state tax code provision, which exempts prescription drugs from tax.

For more information concerning this new sales and use tax exemption, taxpayers may contact the department's Sales and Use Tax Division at 334.242.1490 or visit the department's Web site at [www.revenue.alabama.gov](http://www.revenue.alabama.gov).

View a copy of [Act 2012-309](#) and the Alabama Department of Revenue's [Notice to Taxpayers](#).

-30-

---

**Media contact for more information:**

ADOR Media Affairs Office: Carla A. Snellgrove or Carolyn G. Blackstock: (334) 242-1390; FAX: (334) 242-0550  
[www.revenue.alabama.gov](http://www.revenue.alabama.gov)